

GS Yuasa Corporation
Consolidated Earnings Report for the
Six Months ended September 30, 2020
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange Securities code: 6674
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Scheduled dates
 Filing of statutory quarterly financial report (*Shihanki hokokusho*): November 6, 2020
 Dividend payout: -

Supplementary materials to quarterly earnings report available: Yes
 Quarterly earnings presentation held: Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six Months ended September 30, 2020
(April 1, 2020 to September 30, 2020)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six Months ended September 30, 2020	172,325	(9.5)	5,294	(29.9)	6,500	(22.8)	121	(97.5)
Six Months ended September 30, 2019	190,414	(2.6)	7,549	8.5	8,424	12.4	4,774	38.2

Note: Comprehensive income: Six Months ended September 30, 2020: ¥3,312 million, 512.8%
 Six Months ended September 30, 2019: ¥540 million, -90.8%

	Profit per share	Diluted profit per share
	yen	yen
Six Months ended September 30, 2020	1.50	-
Six Months ended September 30, 2019	58.63	-

Note: Operating income before amortization of good will:

Six Months ended September 30, 2020: ¥6,424 million, -26.0%

Six Months ended September 30, 2019: ¥8,678 million, 5.3%

The Company uses "operating income before amortization of goodwill" as an important indicator for management.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
September 30, 2020	378,223	202,803	46.3
March 31, 2020	385,416	205,318	45.8

Reference: Total equity: As of September 30, 2020: ¥175,191 million
 As of March 31, 2020: ¥176,336 million

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2020	-	15.00	-	35.00	50.00
Year ending March 31, 2021	-	0.00			
Year ending March 31, 2021 (forecast)			-	35.00	35.00

Note: No revision has been made to the latest dividends forecast.

3. Earnings Forecast for the Year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2021	380,000	(3.9)	16,000	(26.2)	17,000	(26.4)	7,000	(48.8)	86.60

Note: The latest earnings forecast has been revised.

For revisions to consolidated results forecast, please see "Notice Regarding First-Half Results and Difference from Previous Forecast, and Revision to Full-year Earnings Forecast" also released by the Company today (November 6, 2020).

*Notes

- (1) Changes affecting the status of material subsidiaries (scope of consolidation): None
- (2) Use of accounting procedures specific to preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accordance with revisions to accounting and other standards: None
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Number of shares issued (common stock)

	September 30, 2020	March 31, 2020
1) Number of shares issued (including treasury stock)	82,714,942	82,714,942
2) Number of shares held in treasury	2,108,476	1,579,708
	Six Months ended September 30, 2020	Six Months ended September 30, 2019
3) Average number of shares outstanding during the period	80,833,327	81,427,943

*Quarterly financial reports are not subject to audit procedures to be conducted by certified public accountants or an audit firm.

*Appropriate Use of Earnings Forecast and Other Important Information

The above forecasts are based on the assumptions of management in light of information available as of the release date of this report. GS Yuasa Corporation makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment.

4. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

1) Overview

In the first six months of fiscal year ending March 31, 2021, the global economy saw business conditions deteriorate severely owing to the impact of the novel coronavirus pandemic. While economic activity has been resuming in stages and signs of a recovery are gradually emerging, a second wave of coronavirus infections has begun to appear in some parts of the world. The economic outlook therefore remains highly uncertain.

In this economic environment, the GS Yuasa Group's consolidated net sales for the first six months of the fiscal year totaled ¥172,325 million, down ¥18,089 million or 9.5% from the same period of the previous fiscal year. The decline in sales mainly reflects declines in domestic and overseas sales of lead-acid batteries for new vehicles and lower sales of lithium-ion batteries for plug-in hybrid vehicles. Consequently, operating income was ¥5,294 million (¥6,424 million before goodwill amortization), a year-on-year decrease of ¥2,254 million or 29.9%, and ordinary income was ¥6,500 million, down ¥1,924 million or 22.8% year on year. Profit attributable to owners of parent came to ¥121 million (¥1,220 million before goodwill amortization), a year-on-year decrease of ¥4,652 million or 97.5%. In addition to the decline in ordinary income, first-half profit attributable to owners of parent takes into account the recoverability of deferred tax assets in light of the decline in profitability and the recording of impairment loss at a consolidated subsidiary.

2) Business Segment Results

(Automotive Batteries)

Net sales of automotive batteries in Japan totaled ¥35,915 million in the first six months of the fiscal year, ¥4,975 million or 12.2% less than a year earlier. Demand for replacement batteries was solid, but shipments of batteries for new vehicles decreased owing to the large decline in production of new automobiles in the first quarter of the fiscal year. Net sales were also negatively affected as product selling prices were lowered to reflect the fall in the price of lead. Domestic segment income (before goodwill amortization) came to ¥2,652 million, up ¥571 million or 27.5% year on year, mainly reflecting the lower price of lead, a core raw material, and increased sales of replacement batteries.

Overseas net sales totaled ¥78,068 million, a year-on-year decline of ¥3,660 million, or 4.5%. The decline reflects lower automobile sales in countries around the world due to the novel coronavirus pandemic, with the impact particularly strong in the first quarter of the fiscal year. Overseas segment income in the first-half totaled ¥5,342 million, a year-on-year increase of ¥422 million or 8.6% driven by increased sales of replacement batteries for automobiles in Australia and some ASEAN countries, with an additional boost coming from the lower price of lead and reduced expenses.

As a result of the above factors, the automotive batteries segment's combined net sales in Japan and overseas in the first six months of the fiscal year totaled ¥113,984 million, a year-on-year decrease of ¥8,636 million, or 7.0%. However, overall segment income (before goodwill amortization) increased to ¥7,994 million, a ¥994 million or 14.2% improvement over the previous year.

(Industrial Batteries and Power Supplies)

Net sales in the industrial batteries and power supplies segment for the first six months of the fiscal year totaled ¥35,528 million, a year-on-year decline of ¥2,093 million, or 5.6%. The main reasons for lower sales were the wind down in the sales cycle for power supplies to telecom companies and a decline in sales of forklift batteries in Japan and overseas. Segment income came to ¥163 million, down ¥2,158 million or 93.0% year on year as the positive effect from the lower price of lead was outweighed by the negative impact from lower segment sales.

(Automotive Lithium-ion Batteries)

Net sales in the automotive lithium-ion batteries segment for the first six months of the fiscal year totaled ¥14,146 million, a year-on-year decrease of ¥7,250 million, or 33.9%. The decline primarily reflects lower sales of lithium-ion batteries used in plug-in hybrid vehicles, which offset an increase in overall sales of batteries for hybrid vehicles. The segment posted a loss of ¥1,855 million, a year-on-year deterioration of ¥1,121 million, owing to the decline in net sales.

(Other)

Net sales in the other segment for the first six months of the fiscal year totaled ¥8,666 million, a year-on-year decrease of ¥108 million or 1.2%. Segment income after adjustments for corporate expenses, etc., came to ¥122 million, an increase of ¥32 million or 35.9% over the previous year's result.

(2) Financial Condition

Total assets as of September 30, 2020, amounted to ¥378,223 million, ¥7,193 million less than at the end of the previous fiscal year. The decline mainly reflects progress in the collection of trade accounts receivable and the depreciation of fixed assets.

Liabilities decreased to ¥175,419 million, ¥4,678 million less than at the end of the previous fiscal year, as decreases in trade accounts payable and advances received for a large project order received by the Industrial Batteries and Power Supplies segment offset an increase in long-term debt as we moved to secure financing in preparation for possible fluctuations in business conditions.

Net assets totaled ¥202,803 million, a decrease of ¥2,514 million from the end of the previous fiscal year. The positive effect from increases in the market value of owned shares was offset by dividends paid and the purchase of treasury shares.

[Cash Flows]

Cash and cash equivalents as of September 30, 2020, amounted to ¥24,705 million, a decrease of ¥43 million, or 0.2%, from the end of the previous fiscal year.

Net cash provided by operating activities in the first six months of the fiscal year totaled ¥12,623 million, compared with net cash provided of ¥15,055 million in the same period of the previous fiscal year. The main contributions to positive operating cash flow were profit before income taxes and the collection of trade accounts receivable. These inflows outweighed cash outflows, such as the reduction in trade accounts payable and income taxes paid.

Net cash used in investing activities totaled ¥8,971 million, compared with net cash used of ¥8,612 million a year earlier. The main cash outflow from investments was the purchase of property, plant, and equipment.

Net cash used in financing activities amounted to ¥3,804 million, compared with net cash used of ¥5,155 million in the first half of the previous fiscal year. The main cash outflows were the purchase of treasury stock and dividends paid. An increase in borrowings was the main source of inflows.

(3) Note on Consolidated Earnings Forecast and Other Forward-looking Statements

The consolidated earnings forecast for the fiscal year ending March 31, 2021, announced on August 4, 2020, has been revised to reflect the Company's recent earnings performance. For details, please see the "Notice Regarding First-Half Results and Difference from Previous Forecast, and Revision to Full-year Earnings Forecast" also released by the Company today.

5. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2020	As of September 30, 2020
	Amount	Amount
Assets		
Current assets		
Cash and deposits	25,226	24,915
Notes and accounts receivable	68,704	59,547
Electronically recorded monetary claims	6,933	4,399
Merchandise and finished goods	35,918	37,719
Work in process	14,718	15,444
Raw materials and supplies	13,655	13,756
Other	10,906	10,267
Allowance for doubtful receivables	(349)	(295)
Total current assets	175,714	165,756
Fixed assets		
Property, plant, and equipment		
Buildings and structures, net	51,720	50,944
Machinery and equipment, net	32,904	33,527
Land	22,138	22,323
Lease assets, net	453	373
Right-of-use assets	4,555	4,689
Construction in progress	11,408	9,683
Other, net	4,671	4,806
Total property, plant, and equipment	127,852	126,348
Intangible assets		
Goodwill	1,995	1,319
Lease assets	982	947
Other	3,448	3,014
Total intangible assets	6,426	5,281
Investments and other assets		
Investment securities	53,684	56,575
Net defined benefit asset	12,945	14,648
Deferred tax assets	2,976	3,061
Lease receivables	2,266	2,477
Other	3,816	4,344
Allowance for doubtful receivables	(330)	(330)
Total investments and other assets	75,358	80,777
Total fixed assets	209,636	212,407
Deferred assets	65	58
Total assets	385,416	378,223

	As of March 31, 2020 Amount	(Millions of yen) As of September 30, 2020 Amount
Liabilities		
Current liabilities		
Notes and accounts payable	30,778	29,106
Electronically recorded obligation	14,893	13,684
Short-term borrowings	14,786	14,505
Payables	9,984	8,011
Income taxes payable	3,786	3,272
Notes payable-facilities	370	364
Electronically recorded obligations-facilities	1,998	4,019
Other	25,417	19,787
Total current liabilities	102,015	92,751
Long-term liabilities		
Bonds	20,000	20,000
Long-term debt	29,761	32,913
Lease obligations	5,457	5,605
Deferred tax liabilities	10,627	11,419
Deferred tax liabilities for land revaluation	928	928
Net defined benefit liability	4,094	4,176
Other	7,214	7,624
Total long-term liabilities	78,082	82,668
Total liabilities	180,098	175,419
Net assets		
Shareholders' equity		
Common stock	33,021	33,021
Capital surplus	55,301	55,301
Retained earnings	87,180	84,535
Less treasury stock, at cost	(3,680)	(4,651)
Total shareholders' equity	171,823	168,206
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	11,933	13,550
Deferred gain (loss) on derivatives under hedge accounting	(244)	(103)
Land revaluation surplus	2,137	2,137
Foreign currency translation adjustments	(6,265)	(6,014)
Remeasurements of defined benefit plans	(3,047)	(2,585)
Total accumulated other comprehensive income	4,513	6,984
Non-controlling interests	28,982	27,612
Total net assets	205,318	202,803
Total liabilities and net assets	385,416	378,223

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

	(Millions of yen)	
	Six Months ended September 30, 2019	Six Months ended September 30, 2020
	Amount	Amount
Net sales	190,414	172,325
Cost of sales	147,599	132,925
Gross profit	42,815	39,400
Selling, general and administrative expenses	35,266	34,105
Operating income	7,549	5,294
Non-operating income		
Interest and dividend income	468	375
Equity in earnings of equity method affiliates	1,471	1,119
Foreign exchange gain	-	205
Other	255	394
Total non-operating income	2,195	2,094
Non-operating expenses		
Interest expenses	387	382
Foreign exchange loss	488	-
Other	442	506
Total non-operating expenses	1,319	889
Ordinary income	8,424	6,500
Extraordinary income		
Gain on sales of fixed assets	2,213	21
Gain on sales of investment securities	14	1
Other	27	-
Total extraordinary income	2,255	22
Extraordinary loss		
Loss on disposal of fixed assets	235	312
Loss on sales of fixed assets	51	4
Impairment loss	-	2,760
Loss on valuation of investment securities	-	15
Loss on liquidation of subsidiaries and affiliates	1,400	-
Other	97	-
Total extraordinary loss	1,784	3,092
Profit before income taxes	8,895	3,430
Income taxes	2,751	3,282
Profit	6,144	147
Profit attributable to non-controlling interests	1,369	26
Profit (loss) attributable to owners of parent	4,774	121

Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2019	(Millions of yen) Six Months ended September 30, 2020
	Amount	Amount
Profit	6,144	147
Other comprehensive income		
Net unrealized gain (loss) on available-for-sale securities	(1,066)	1,577
Deferred gain (loss) on derivatives under hedge accounting	0	139
Foreign currency translation adjustments	(3,117)	1,647
Remeasurements of defined benefit plans	87	461
Share of other comprehensive income of equity method affiliates	(1,508)	(661)
Total other comprehensive income	(5,603)	3,164
Comprehensive income	540	3,312
Components:		
Comprehensive income attributable to owners of parent	(345)	2,592
Comprehensive income attributable to non-controlling interests	886	719

(3) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Six Months ended September 30, 2019	Six Months ended September 30, 2020
	Amount	Amount
Cash flows from operating activities		
Profit before income taxes	8,895	3,430
Depreciation and amortization	8,722	9,158
Impairment loss	-	2,760
Amortization of goodwill	676	676
(Gain) loss on valuation of investment securities	-	15
(Gain) loss on sales of investment securities	(14)	(1)
Loss on liquidation of subsidiaries and affiliates	1,400	-
Increase (decrease) in allowance for doubtful receivables	(0)	(69)
Change in net defined benefit asset/liability	(1,488)	(1,078)
Interest and dividend income	(468)	(375)
Interest expenses	387	382
Foreign exchange (gain) loss	(53)	(308)
(Gain) loss on sales of fixed assets	(2,162)	(17)
Loss on disposal of fixed assets	235	312
Equity in (earnings) loss of equity method affiliates	(1,471)	(1,119)
(Increase) decrease in trade accounts receivable	1,500	12,929
Increase (decrease) in advances received	6,503	(3,906)
(Increase) decrease in inventories	(3,576)	(1,915)
Increase (decrease) in trade accounts payable	(333)	(3,300)
Other – net	554	(1,259)
	Sub total	
	<u>19,306</u>	<u>16,313</u>
Interest and dividends received	723	970
Interest paid	(387)	(382)
Income taxes paid	(4,586)	(4,278)
Net cash provided by operating activities	<u>15,055</u>	<u>12,623</u>
Cash flows from investing activities		
Purchase of property, plant, and equipment	(10,628)	(7,828)
Proceeds from sales of property, plant, and equipment	2,409	30
Purchase of intangible assets	(35)	(32)
Purchase of investment securities	(2)	(1)
Proceeds from sales of investment securities	35	19
Purchase of shares of subsidiaries and associates	-	(600)
Payments for investments in capital of subsidiaries and associates	(582)	-
Payments for loans receivable	-	(738)
Collection of loans receivable	136	2
Other - net	55	175
Net cash used in investing activities	<u>(8,612)</u>	<u>(8,971)</u>

Cash flows from financing activities

Net increase (decrease) in short-term borrowings and commercial paper	437	(1,508)
Proceeds from long-term debt	1,548	5,295
Repayments of long-term debt	(848)	(1,092)
Purchase of treasury stock	(1,380)	(1,001)
Proceeds from disposal of treasury shares	4	29
Dividends paid	(2,865)	(2,842)
Dividends paid to non-controlling shareholders	(1,463)	(2,088)
Other – net	(587)	(596)
Net cash used in financing activities	(5,155)	(3,804)
Foreign currency translation adjustments on cash and cash equivalents	(252)	107
Net increase (decrease) in cash and cash equivalents	1,036	(45)
Cash and cash equivalents, beginning of term	23,408	24,748
Increase in cash and cash equivalents from newly consolidated subsidiary	211	1
Cash and cash equivalents, end of term	24,656	24,705

(4) Notes on the Consolidated Financial Statements

(Note on the going-concern assumption)

Not applicable

(Note on significant change in shareholders' equity)

(Share buyback)

The Company purchased 540,900 of its own shares based on a resolution made by the Board of Directors on May 12, 2020. As a result of purchase and disposal of treasury shares including the May 12 share buyback, treasury shares increased by 971 million yen during the first six months of the fiscal year ending March 31, 2021, and totaled 4,651 million yen as of the end of the period under review.

(Use of accounting procedures specific to preparation of quarterly consolidated financial statements)

The Company calculates tax expense by rationally estimating its effective tax rate after application of tax-effect accounting to profit before income taxes for the current fiscal year, which includes the first six months ended September 30, 2020, and multiplying profit before income taxes by said estimated effective tax rate.

(Additional information)

With respect to the assumptions underlying accounting estimates for the impact of the novel coronavirus outbreak on the GS Yuasa Group's business in the financial statements for the first six months of the fiscal year ending March 31, 2021, there are no material differences with the content stated in the (Additional information) section of the statutory financial report for the fiscal year ended March 31, 2020.

(Segment and other information)

Segment Information

I. Six Months ended September 30, 2019 (April 1 to September 30, 2019)

1. Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal					
Net sales								
Sales to outside customers	40,891	81,728	122,620	37,621	21,397	181,639	8,775	190,414
Inter-segment sales and transfers	663	2,060	2,724	5,841	413	8,979	(8,979)	-
Total	41,555	83,789	125,344	43,463	21,811	190,619	(204)	190,414
Segment income (loss)	2,080	4,920	7,000	2,322	(733)	8,588	89	8,678

Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment. Segment income adjustment was minus 1,122 million yen, which includes minus 615 million yen elimination of inter-segment transactions and minus 506 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. The difference between the total segment income (loss) in the table above and operating income of 7,549 million yen on the consolidated statements of income represents amortization of goodwill and other intangible assets of 1,129

million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

II. Six Months ended September 30, 2020 (April 1 to September 30, 2020)

1. Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal					
Net sales								
Sales to outside customers	35,915	78,068	113,984	35,528	14,146	163,659	8,666	172,325
Inter-segment sales and transfers	569	1,413	1,983	5,778	4,450	12,212	(12,212)	-
Total	36,485	79,481	115,967	41,306	18,597	175,871	(3,545)	172,325
Segment income (loss)	2,652	5,342	7,994	163	(1,855)	6,302	122	6,424

Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment. Segment income adjustment was minus 1,010 million yen, which includes minus 560 million yen elimination of inter-segment transactions and minus 449 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. The difference between the total segment income (loss) in the table above and operating income of 5,294 million yen on the consolidated income statements represents amortization of goodwill and other intangible assets of 1,129 million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

2. Impairment loss on fixed assets or goodwill by reportable segment

(Material impairment loss on fixed assets)

With a decrease in business profitability of manufacturing plants held by a consolidated subsidiary in the "Automotive Lithium-ion Batteries" segment, the book value of fixed assets held by the segment were reduced to their recoverable amounts, and impairment loss was recorded under extraordinary loss.

The impairment loss recognized for this reason in the six months ended September 30, 2020 totaled 2,760 million yen.

6. Supplementary Information

(1) Quarterly profit/loss

Fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

	(Millions of yen)						
	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	76,376	95,949	-	-	172,325	-	-
Operating income	1,002	4,292	-	-	5,294	-	-
Ordinary income	1,699	4,800	-	-	6,500	-	-
Profit attributable to owners of parent	(27)	149	-	-	121	-	-

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

	(Millions of yen)						
	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	90,082	100,331	102,662	102,476	190,414	293,077	395,553
Operating income	2,040	5,508	6,872	7,254	7,549	14,421	21,676
Ordinary income	2,873	5,551	7,499	7,185	8,424	15,924	23,109
Profit attributable to owners of parent	1,473	3,300	4,430	4,469	4,774	9,204	13,674

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

	(Millions of yen)						
	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	96,256	99,158	110,230	107,442	195,415	305,646	413,089
Operating income	2,917	4,038	7,358	8,339	6,956	14,315	22,654
Ordinary income	3,165	4,327	8,308	8,927	7,492	15,800	24,728
Profit attributable to owners of parent	1,430	2,023	6,636	3,433	3,454	10,090	13,524

Fiscal year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

	(Millions of yen)						
	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	87,805	96,402	112,776	113,966	184,208	296,984	410,951
Operating income	2,876	3,109	7,734	8,198	5,986	13,721	21,920
Ordinary income	3,273	3,174	7,763	7,176	6,447	14,210	21,387
Profit attributable to owners of parent	1,254	1,295	3,668	5,231	2,549	6,218	11,449

Fiscal year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

	(Millions of yen)						
	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	75,364	83,535	95,428	105,277	158,899	254,328	359,605
Operating income	2,988	4,184	7,501	8,431	7,173	14,674	23,106
Ordinary income	2,875	3,774	8,007	7,887	6,650	14,657	22,545
Profit attributable to owners of parent	1,840	2,271	4,460	3,656	4,111	8,572	12,229

(2) Overview of Results for the Six Months ended September 30, 2020

(Millions of yen unless otherwise stated)

	Six months ended			Change (b) – (a)	Full year ended/ending		
	September 30, 2018	September 30, 2019 (a)	September 30, 2020 (b)		March 31, 2019	March 31, 2020	March 31, 2021 (forecast)
Net sales	195,415	190,414	172,325	(18,089)	413,089	395,553	380,000
Automotive Batteries-Japan	41,420	40,891	35,915	(4,975)	91,460	88,059	82,000
Automotive Batteries-Overseas	87,485	81,728	78,068	(3,660)	177,052	162,138	158,000
Industrial Batteries and Power Supplies	34,355	37,621	35,528	(2,093)	80,042	84,566	86,000
Automotive Lithium-ion Batteries	22,016	21,397	14,146	(7,250)	45,585	42,264	36,000
Other	10,138	8,775	8,666	(108)	18,947	18,525	18,000
Operating income	6,956	7,549	5,294	(2,254)	22,654	21,676	16,000
Operating income before amortization of goodwill	8,239	8,678	6,424	(2,254)	25,066	23,935	18,000
Automotive Batteries-Japan	2,661	2,080	2,652	571	7,766	6,976	6,500
Automotive Batteries-Overseas	4,668	4,920	5,342	422	9,926	9,187	8,500
Industrial Batteries and Power Supplies	755	2,322	163	(2,158)	7,827	9,157	6,000
Automotive Lithium-ion Batteries	(291)	(733)	(1,855)	(1,121)	300	(1,708)	(2,000)
Other	445	89	122	32	(754)	322	(1,000)
Ordinary income	7,492	8,424	6,500	(1,924)	24,728	23,109	17,000
Profit attributable to owners of parent	3,454	4,774	121	(4,652)	13,524	13,674	7,000
Profit attributable to owners of parent before amortization of goodwill	4,760	5,902	1,220	(4,681)	15,974	15,925	9,000
Profit per share (yen)	42.02	58.63	1.50	(57.13)	164.74	168.23	86.60
Interim (full-year) dividend per share (yen)	3.00	15.00	0.00	(15.00)	-	50.00	35.00
Purchase of treasury stock (plan for next fiscal year)	-	-	-	-	1,378	1,500	-
Total return ratio (profit before amortization of goodwill)	-	-	-	-	34.30	34.90	-
Capital investment	8,053	8,638	8,825	186	21,461	18,220	22,000
Depreciation/amortization	7,744	7,879	8,259	379	16,115	15,979	17,000
Research and development expenses	4,390	4,782	5,077	295	9,868	9,517	11,000
Cash flows from operating activities	10,193	15,055	12,623	(2,432)	31,493	33,119	-
Cash flows from investing activities	(8,869)	(8,612)	(8,971)	(359)	(17,570)	(20,690)	-
Cash flows from financing activities	1,631	(5,155)	(3,804)	1,350	(11,706)	(10,245)	-
Cash and cash equivalents, end of term	24,124	24,656	24,705	★ (43)	23,408	24,748	-
Total assets	384,039	383,913	378,223	★ (7,193)	384,243	385,416	-
Net assets	202,966	202,220	202,803	★ (2,514)	207,708	205,318	-
Total debt	78,712	67,294	67,418	★ 2,870	66,940	64,548	-
Equity ratio (%)	45.7	45.2	46.3	★ 0.5	46.4	45.8	-
Return on equity (%) (profit before amortization of goodwill)	-	-	-	-	9.0	9.0	-
Net assets per share (yen)	2,136.56	2,140.89	2,173.41	★ 0.04	2,179.03	2,173.37	-
Overseas sales ratio (%)	52.2	49.1	49.7	★ 3.5	49.4	46.2	-
Number of employees, end of term (persons)	14,275	14,417	13,600	★ 58	14,217	13,542	-
Number of consolidated subsidiaries	55	54	54	★ -	54	54	-
Japan	22	22	22	★ -	22	22	-
Overseas	33	32	32	★ -	32	32	-

* The asterisks indicate change over the end of the previous fiscal year (March 31, 2020).

Note: On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. Profit per share and net assets per share were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2019 (April 1, 2018). In addition, interim (full-year) dividend per share for the fiscal year ended March 31, 2019 is presented as "-".